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Metropolitan Transportation Authority

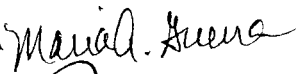
One Gateway Plaza
Los Angeles, CA 90012-2952


213.922.2000 Tel
metro.net

May 25, 2005

TO: BOARD OF DIRECTORS

THROUGH: ROGER SNOBLE
CHIEF EXECUTIVE OFFICER 

FROM: MARIA A. GUERRA 
CHIEF OF STAFF

JAMES L. de la LOZA 
CHIEF PLANNING OFFICER

SUBJECT: LACMTA REAL PROPERTY

ISSUE

At the May 9, 2005 Special Budget Workshop, Director Yvonne Burke requested staff to provide a list of properties that are currently considered surplus or are in the process of being sold. There were also questions about joint development of LACMTA properties.

BACKGROUND

The Board adopted the Disposition of Surplus Real Property Policy ("Policy") in August 2001. Since that time, staff has instituted a program of selling properties that are no longer required for public transit purposes. The Policy provides guidelines for identifying, approving, advertising and selling surplus property.

The Policy defines surplus real property as real property, land and improvements thereon, owned by LACMTA that have been determined in accordance with the procedures to be no longer required for transit or public purposes. Potentially surplus real property is defined as real property, land and improvements thereon owned by LACMTA that have been identified as *potentially* surplus to transit or public purposes. These properties are generally vacant lots, unused railroad right of way, or former or current bus operating properties. Surplus properties are distinguished from properties that are located at rail stations or properties that are suited for Transit Oriented Development ("TOD").

The Real Estate Department identifies surplus or potentially surplus properties and obtains concurrence from other LACMTA departments. Once various departments have cleared a property to be declared surplus, a notice is sent to public agencies advising them of the availability of the property for sale. The Notice is sent to Board members in whose district the property is located.

The Department also responds to unsolicited proposals to acquire LACMTA property that is not designated for joint development. If a proposal is beneficial to LACMTA, and other departments concur that the property can be declared surplus, the property is processed for sale in compliance with the Disposition Policy. Properties that are currently on the active surplus list and properties that are potentially surplus are listed on Attachment 1.

Properties identified for potential joint development and included in Metro's Joint Development Program are listed on Attachment 2. The development of such properties is undertaken following the Board-approved Joint Development Policies and Procedures. Among others, the policies provide that site-specific conceptual development guidelines have to be approved by the Board and that procurement for development has to be conducted through a competitive process. The Planning Department maintains a website containing joint development policies and procedures, right-of-way policies, descriptions and pictures of all projects in various stages of development, a list and detailed description of candidate projects, and project staff contact information.

NEXT STEPS

The Real Estate Department will continue to process the sale of surplus properties pursuant to the Disposition of Surplus Real Property Policy. All Board members will be added to the mailing list to receive the notice of available surplus properties when they are advertised to governmental agencies, adjacent property owners or to the general public.

Prepared by: Velma C. Marshall, Director of Real Estate
Kevin Michel, Director, Regional Transportation and Development

ATTACHMENTS

- Attachment 1 - Summary of Surplus and Potentially Surplus Properties, and Bus Operating Properties in Development
- Attachment 2 - MTA Joint Development Program Development Summary

Attachment 1

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
SURPLUS PROPERTY SUMMARY

ACTIVE SURPLUS PARCELS – PENDING DISPOSITION

NO	LOCATION	APPROX AREA	STATUS
1	<p>Northwest corner of Marilla Street and Owensmouth Avenue (Chatsworth) The property is located adjacent to the San Fernando Valley Sector office.</p>	6 Acres	A Notice of Proposed Sale was mailed to various public agencies and elected officials on April 5 advising of the availability of this site for purchase. To date, one (1) response has been received. The due date for public agency response is June 5, 2005. Staff is obtaining an appraisal of the site and a survey to determine the actual size of the property that is available for sale. Staff will re-verify the potential need for this site for future transit requirements before a final decision is made to sell the property.
2	<p>North of Front Street at First Avenue (Covina) This small parcel is located adjacent to the former Baldwin Park ROW.</p>	3,320 sq. ft.	This parcel was originally offered to public agencies. The City of Covina was initially interested, but advised in writing that they would <i>not</i> pursue acquisition of the property. A minimum sale price of \$50,000 was established prior to a sealed bid process between the 2 adjacent property owners. The highest bid was \$70,100. The parcel is currently in escrow and is anticipated to close in June 2005.
3	<p>Southwest corner of Commercial and Geary Street (ES-606) (Los Angeles) This parcel was purchased for the Gold Line Eastside Extension. The parcel is no longer required for the Project.</p>	1.3 acres	The City of Los Angeles contacted LACMTA to advise of its interest in acquiring the parcel to construct a Maintenance Facility for the Downtown Dash. Discussions are underway regarding the value of the Property.
4	<p>Southeast corner of Mission Street and Meridan Avenue (Pasadena) This small parcel is adjacent to the Pasadena Gold Line and is currently leased to the adjacent property owner.</p>	925 sq. ft	This parcel is being sold to the adjacent property owner who is the current tenant on the property. The property is being sold for \$36,000. Escrow is open and the closing should take place within the next 60 days.

BUS OPERATING PROPERTIES INCLUDED IN PENDING DEVELOPMENTS

	LOCATION	APPROX AREA	STATUS
1	Pico Rimpau Loop – Terminal 41 4646 W. Pico Boulevard (Los Angeles)	Unavailable	The Board approved the sale of this property to an adjacent property owner/developer. The developer will pay \$700,000 plus build a new terminal as part of the Midtown Plaza Development. The Purchase Agreement was signed on April 1, 2005
2	Maple Street Bus Layover – Terminal 17 632 Maple Street (Los Angeles)	32,000 sq. ft	The Board approved a 70-year ground lease for the development of a 7 story-parking garage. The developer will pay a one-time payment of \$600,000. Bus parking will be on the first floor of the garage. Final negotiations are underway and the documents are being finalized for execution.
3	Division 6 100 Sunset Avenue, (Venice)	3 ACRES	The Board approved a Land Exchange Agreement with a developer who has purchased a replacement site for the Division and will build a new Division in exchange for the Division 6 site.
4	Division 12 (Inactive Division Site) 970 Chester Avenue (Long Beach)	5 ACRES	LACMTA has been in discussions with the City of Long Beach since 2001 regarding the sale of this inactive Division site to the City. A current appraisal of the site is underway to determine the value for negotiation purposes.
5	Location 14 - South Park Shops 5413 Avalon Boulevard (Los Angeles) This location houses the Facilities Maintenance Headquarters that includes the Print Shop.	8 ACRES	The City of Los Angeles, at the request of Councilwoman Jan Perry, has made an offer to acquire this location for the purpose of developing a park and wetlands project. The City obtained an appraisal of the site and LACMTA obtained an appraisal. Tentative agreement was reached on the value of the property; however, the terms of the sale have not been settled. This site cannot be vacated until a replacement location is available.

OTHER POTENTIALLY SURPLUS PROPERTIES

	LOCATION	APPROX AREA	STATUS
1	Northwest corner of Temple Street and Beaudry Street – 1105 – 1117 W. Temple (Los Angeles)	1.4 acres	The site was purchased by SCTD for a downtown bus layover facility. Operations has requested that this site be retained while funding is identified for a downtown bus layover. An RFP for joint development including providing for a layover area may be issued in the next few months.
2	Parcels A1-015 and A1-016 Vacant lot located between Commercial Street and Ducommon Street	20,000 sq. ft.	Parcels A1-015 and A1-016 were acquired for the MOS-1 Red Line Metro Rail Project and are currently designated as a temporary soil storage site in support various construction projects.
3	Parcel A1-021 815 Commercial Street (Los Angeles)	20,072 sq.ft.	This parcel is being placed back on the Excess Real Property list and will be offered for sale to the highest bidder. The site is currently used by the Rail Materials Group to store materials for Rail Operations. A new and larger facility is required. Efforts are underway to acquire a new site and to combine all of the materials at one location.
4	SW Corner of Wilshire/Crenshaw SE Corner of Wilshire/Lorraine	64,469 sq. ft	The Board certified the Environmental Impact Report (EIR) for the Wilshire Bus Rapid Transit Project on August 15, 2002. The EIR included a transit station and public parking at Wilshire/Crenshaw. The Board subsequently took action to defer construction of the Project. In the interim, the site is being leased to the Los Angeles Unified School District for parking.
5	Wilshire/LaBrea 5301-5323 Wilshire Boulevard (Los Angeles)	54,690 sq. ft	The Board certified the Environmental Impact Report (EIR) for the Wilshire Bus Rapid Transit Project on August 15, 2002. The EIR included a transit station and public parking at Wilshire/Crenshaw. The Board subsequently took action to defer construction of the Project. In the interim, the site will continue to be used as the Wilshire Customer Service Center and the remainder leased to a video store and to the City of Los Angeles for public parking.
6	6141 Century Boulevard	140,875 sq. ft.	This property was purchased for the North Coast Extension to LAX. The site is currently leased for public parking

	LOCATION	APPROX AREA	STATUS
7	Denny's Restaurant (Across from Gateway) 530 Ramirez St (Los Angeles)	50,479 sq. ft.	This property was purchased initially for the MOS-1 of the Red Line. Subsequently the alignment was changed and the property was no longer required for the Project. A portion of the property is now required for the proposed Ramirez Flyover Project which will provide an alternate access road into Gateway Plaza. The site has continued to be leased for use as a Denny's Restaurant.

LACMTA JOINT DEVELOPMENT PROGRAM SUMMARY

Attachment 2

Location	Parcel Size in Acres (Approx.)	Status	Developer	Scope
RED LINE				
Union Station Gateway	14	Completed	Catellus Development Corporation	Transit plaza, rail portals, commercial/retail
7th Street/Flower	Underground portal only	Completed	Home Savings of America	Rail portal
Hollywood/Highland	1.5 MTA, 8.7 Total	Completed	Trizec Hahn	Kodak Theater, hotel, retail
Hollywood/Western	1.1	Completed	McCormack-Baron-Salazar	120 affordable housing units, 4,000 sq.ft commercial, and a daycare center
Wilshire/Vermont	3.2 south portion	In construction	Urban Partners	449 apartments, 35,000 sq.ft. retail
	2.6 north portion	In escrow - Purchase & Sale Agreement signed.	LAUSD	Middle school
Hollywood/Vine	3.2 MTA, 4.65 Total	In exclusive negotiations	Hotel/condo Developer, HEI/GC Hollywood & Vine, LLC; Apartment Developer, Legacy Partners 2480 LLC	350 apartments, 150 condos, 72,500 sq. ft. commercial/retail, 300-room hotel; 29,500 sq. ft. retail
Wilshire/Western	1.7 MTA, 2.6 Total	In exclusive negotiations	Wilshire Entertainment Center (KOAR)	195 condos, 49,500 sq.ft. retail
Westlake/MacArthur Park	3.7	In exclusive negotiations	MacArthur Park LLC (McCormack-Baron-Salazar, The Related Companies of California)	199 residential units, 50,400 sq.ft. commercial
North Hollywood	17.3	Available for joint development	N/A	TBD
Universal	12	Available for Joint Development	N/A	TBD
Vermont/Beverly	0.5	Available for Joint Development	N/A	TBD
Vermont/Santa Monica Blvd.	1.3	In exclusive negotiations	St. Nicholas (adjacent property owned), MacGregor Company, and Pollis Builders, Ltd.	200 apartments, 18,700 sq.ft. retail
Vermont/Sunset Blvd.	0.7	Available for Joint Development	N/A	TBD
ORANGE LINE				
Sepulveda Blvd. (north-east of 101/405 Freeway Interchange)	12.5	Available for Joint Development	N/A	TBD
Balboa Orange Line Station	2.2	Available for Joint Development	N/A	TBD
Valley College Station	0.2	Potential opportunity for development in conjunction w/Valley College		

Location	Parcel Size in Acres (Approx.)	Status	Developer	Scope
GOLD LINE				
Mission Meridian *	1.5	In Construction	Creative Housing Associates	67 condos, 4,000 sq.ft. retail
Memorial Station *	3.8	Completed	Janns Development Corporation	374 apartments, 10,000 sq.ft commercial/retail, 4,000 sq.ft. office
Chinatown Station *	0.1 MTA, 2 Total	Construction expected to begin shortly.	Bond Companies/Rtiboli	223 residential units, 2,500 sq. ft. retail
Del Mar *	4.5	In Construction	Urban Partners	347 residential units, 11,000 sq.ft retail
Sierra Madre Villas *	7.6		SMV Technology Partners	188 residential units, 250,000 sq.ft. commercial
EASTSIDE EXTENSION				
Chavez/Soto	3.5	In exclusive negotiations	Cesar Chavez/Soto LLC (JSM Construction)	139 apartments, 74,000 sq.ft. retail including a theater complex
1st Street at Boyle	2	Available for Joint Development	N/A	TBD
1st Street at Soto	0.8	Available for Joint Development	N/A	TBD
1st Street at Lorena	0.8	Available for Joint Development	N/A	TBD
Santa Fe	4	In exclusive negotiations	McGregor Company/Polis Builders, Ltd.	270 student housing units
BLUE LINE				
Willow Station	12	Completed	American Stores Properties, Inc.	132,000 sq.ft. commercial
OTHER				
Taylor Yard	23	In exclusive negotiations	Taylor Yard LLC; McCormack Baron and Salazar; CIM Group	451 residential units; 74,400 sq. ft. retail
Chatsworth Metrolink Station	11.4	Available for Joint Development	N/A	TBD
Division 7	8.3	Available for Joint Development	N/A	TBD
El Monte Bus Division		Available for Joint Development	City of El Monte interested in exploring joint development potential and/or possible lot line adjustments/property swaps	TBD
* Joint Developments negotiated by the Pasadena Gold Line Authority				